

Washington State Auditor's Office
Accountability Audit Report

Bellevue School District
King County

Audit Period
September 1, 2001 through August 31, 2002

Report No. 64893

Issue Date
May 30, 2003



Washington
State Auditor
Brian Sonntag

Audit Summary

**Bellevue School District
King County
September 1, 2001 through August 31, 2002**

ABOUT THE AUDIT

This report contains the results of our independent audit of the Bellevue School District for the period of September 1, 2001, through August 31, 2002.

We performed audit procedures to determine whether the District complied with state laws and regulations and its own policies and procedures. We also evaluated the District's accountability for public resources. Our work focused on specific audit areas that have potential for abuse or misuse of public resources.

RESULTS

The District complied with state laws and regulations and its own policies and procedures.

We noted certain issues that we communicated to District management. We appreciate the District's commitment to resolve these issues.

RELATED REPORTS

Our opinion on the District's financial statements and its compliance with federal program requirements is provided in a separate report, which includes the District's financial statements. That report also includes a federal finding regarding inadequate supporting documentation for more than \$30,000 in payroll costs charged to a federal program.

CLOSING REMARKS

We thank District officials and personnel for their assistance and cooperation during the audit.

Table of Contents

**Bellevue School District
King County
September 1, 2001 through August 31, 2002**

Description of the District.....	1
Audit Areas Examined.....	2

Description of the District

Bellevue School District King County September 1, 2001 through August 31, 2002

ABOUT THE DISTRICT

The Bellevue School District serves 15,000 students on the east side of Lake Washington. The District employs approximately 969 teachers and a classified staff of approximately 593. The District operates four high schools, five middle schools, 16 elementary schools and four alternative schools. The District has an annual budget of approximately \$148 million.

AUDIT HISTORY

We audit the District annually. The past five audits have reported no findings.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Directors:
President

Steven Miller
Judy Bushnell
Paul Mills
Peter Bentley
Jan Still

APPOINTED OFFICIALS

Superintendent
Deputy Superintendent
Director of Fiscal Services

Dr. Michael Riley
Karen A. Clark
Marlyn Keating

ADDRESS

District

12111 Northeast First Street
PO Box 90010
Bellevue, WA 98009

Audit Areas Examined

Bellevue School District King County September 1, 2001 through August 31, 2002

In keeping with general auditing practices, we do not examine every portion of the Bellevue School District's financial activities during each audit. The areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. Other areas are audited on a rotating basis over the course of several years. The following areas of the District were examined during this audit period:

ACCOUNTABILITY FOR PUBLIC RESOURCES

We evaluated the District's accountability in the following areas:

- Petty cash, change and revolving accounts
- Cash receipting and revenues
- Payroll
- Purchase of goods and services
- Financial statement preparation and journal entries

LEGAL COMPLIANCE

We audited the following areas for compliance with certain applicable state and local laws and regulations:

- Open Public Meetings Act
- Allowable expenditures
- Change orders and competitive bidding on public works
- Teacher education and experience (staff mix) reporting
- Prevailing wages on public works
- Travel expenses
- Advance travel payments and reimbursements
- Use of restricted funds

FEDERAL PROGRAMS

We evaluated internal controls and tested compliance with federal requirements, as applicable, for the District's major federal programs, which are listed in the Federal Summary section of the financial statement and federal single audit report.

FINANCIAL AREAS

Our opinion on the District's financial statements is provided in a separate report. This report includes the District's financial statements and other required financial information. We examined the financial activity and balances of the District including:

- Cash and investments
- Revenues
- Expenditures
- Long-term debt
- Overall presentation of the financial statements